# U.S. Department of Transportation
# Federal Motor Carrier Safety Administration

## Fiscal Year 2017 - Motor Carrier Safety Assistance Program
## Notice of Funding Availability

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| **Announcement Type:** | Formula Grant |
| **Catalog of Federal Domestic Assistance Number:** | 20.218 |
| **Program Purpose:** | The Motor Carrier Safety Assistance Program (MCSAP) is a Federal formula grant program that provides financial assistance to reduce the number and severity of crashes, injuries, and fatalities and hazardous material incidents involving commercial motor vehicles. |
| **Eligibility Information:** | State Commercial Motor Vehicle Safety agency (lead agency), as designated by the State's governor, including the District of Columbia, Puerto Rico, the U.S. Virgin Islands, American Samoa, Guam, and the Commonwealth of Northern Mariana Islands. |
| **Application Due Date:** | August 1, 2016 (11:59 P.M. Eastern Time) |

## A. MOTOR CARRIER SAFETY ASSISTANCE PROGRAM DESCRIPTION

The U.S. Department of Transportation's (USDOT) Federal Motor Carrier Safety Administration (FMCSA) announces the Fiscal Year (FY) 2017 MCSAP grant notice of funding availability (NOFA). This document will assist you by providing important information about the FY 2017 MCSAP program priorities and critical information related to preparing and submitting a grant application.

The Fixing America's Surface Transportation Act (FAST Act), Pub. L. No. 114-94, §§ 5101(a) and 5101(c) (2015) authorize the MCSAP. The MCSAP is governed by 49 U.S.C. §§ 31102 and 31104, as amended by the FAST Act, and by 49 CFR part 350.

The MCSAP is a formula grant program that provides financial assistance to States, including the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, and the U.S. Virgin Islands to reduce the number and severity of crashes and hazardous material incidents involving commercial motor vehicles (CMVs). Specifically, only the State lead agency (as designated by the Governor) is eligible to apply for MCSAP grant funding. Individuals and businesses are not eligible for awards.

The period of performance for this grant opportunity will be October 1, 2016, through September 30, 2018.  The FMCSA is not responsible for any costs incurred by the State lead agency outside the scope of the grant agreement, as determined by the approved Commercial Vehicle Safety Plan (CVSP), or prior to the award period of performance start date.

**All application materials must be submitted to FMCSA no later than 11:59 P.M. (Eastern Time) on August 1, 2016.**  State lead agencies who, for good cause, cannot submit their applications by the deadline may request an extension in writing (i.e., e-mail) of no more than 30 calendar days from their FMCSA Division Administrator/State Director, with a courtesy copy provided to the FMCSA Grants Management e-mail box at FMCSA_GrantMgmtHelpDesk@dot.gov.

Applicants are strongly encouraged to submit all application documents by August 1, 2016, to expedite the award process and ensure timely review of the CVSPs.

Grantees should refer to the MCSAP Comprehensive Policy (MCP) for guidance on eligible activities and program policies relevant to MCSAP. A copy of the MCP may be found at: www.fmcsa.dot.gov/grants/mcsap-basic-incentive-grant/motor-carrier-safety-assistance-program-mcsap-basic-and-incentive.

# Important Changes and Reminders for FY 2017

## 1) FAST Act

The FAST Act required several programmatic changes to the FY 2017 MCSAP grant, which are summarized below:

- The FAST Act consolidated several stand-alone FMCSA grant programs.  Basic and Incentive, New Entrant, Border Enforcement, Safety Data Improvement, and Performance and Registration Information Systems Management (PRISM) are now components of the MCSAP grant. Additionally, funding for some provisions of Innovative Technology Deployment (ITD) and PRISM will be available through the High Priority program.  See the MCSAP Comprehensive Policy (MCP) for additional information regarding funding eligibility.

- The FAST Act now requires, as a condition of MCSAP participation, that States conduct New Entrant Safety Audits on interstate carriers.  At the State's discretion, safety audits may be conducted on intrastate carriers but not to the detriment of the interstate safety audit program. Territories are exempt from this requirement.  A State may authorize a third party, by sub-award or contract, to conduct safety audits on its behalf provided the State verifies and oversees the quality of the work conducted.  The State will remain solely responsible and accountable for the management and oversight of all New Entrant Safety activities.   The New Entrant Safety priorities are:

    a) Process and complete safety audits within the statutory time limits below:

- Entry date into the New Entrant program (as shown in FMCSA data systems) September 30, 2013, or earlier: safety audit must be completed within 18 months; and

- Entry date into the New Entrant program (as shown in FMCSA data systems) October 1, 2013, or later: safety audit must be completed within 12 months for all motor carriers and 120 days for motor carriers of passengers.

b) In addition to the FMCSA national offsite safety audit initiative that began in FY 2015, develop and implement innovative methods to streamline the safety audit process to reduce costs and improve the efficiency of the new entrant program within the State. An example of an innovative method is group audits coordinated in advance to take place at a specified time and location with multiple motor carriers.

- If a State shares a land border with another country, the State will conduct a border CMV safety program focusing on international commerce that includes enforcement or related projects; or will forfeit all funds calculated for these activities. The Border Enforcement priorities are:

  - Increase the number of inspections of motorcoaches engaged in international commerce. FMCSA encourages States to examine their data on international motorcoach activity and use that data to establish reasonable goals that will result in an increase of international motorcoach-focused activities. In the application, States must substantiate the goals set and provide the data (or data source references);

  - Conduct enforcement activities (inspections and traffic enforcement) on CMVs engaged in international commerce within corridors where the data indicate that there are a high number of crashes involving vehicles engaged in international commerce; and/or;

  - Improve the capability to conduct CMV safety inspections at remote and other sites near the Canadian and Mexican borders. If included, the application should provide data-driven support for how non-fixed location inspections will increase the likelihood of reducing crashes, injuries, and fatalities involving CMVs engaged in international commerce.

- States must agree to fully participate in Performance and Registration Information Systems Management (PRISM) no later than October 1, 2020, or demonstrate participation in an acceptable alternative approach for identifying and immobilizing a motor carrier with serious safety deficiencies. PRISM improves safety and strengthens the enforcement policies mandated by the U.S. Congress, such as those related to the consequences of unsatisfactory safety ratings and failure to pay civil penalties for safety violations.

  - FMCSA has determined that "fully participate" as required within the FAST Act means a State reaching Step 6 in the PRISM implementation steps; which is the suspension (or revocation) and denial of registration if the motor carrier responsible for safety of the vehicle is under any Federal out of service (OOS) order.

  - For more information on PRISM program components, implementation, the PRISM Procedural Manual and the full range of reference materials, please visit the PRISM

Document Library at www.fmcsa.dot.gov/information-systems/prism/prism-document-library. Also please reference Section 4.3.1 within the MCP for additional details.

- For an overview of the PRISM Implementation Steps and national progress map, please visit www.fmcsa.dot.gov/information-systems/prism/states-using-prism.

- As States are now required to fully participate in PRISM, or an acceptable equivalent approved by the Secretary, by October 1, 2020, costs associated with the implementation, and operation and maintenance (O&M) of PRISM components are considered eligible for either MCSAP or High Priority funding. State lead agencies may also issue sub-awards for PRISM related costs to the appropriate agency(s) in their jurisdiction responsible for the operation and ongoing maintenance of their PRISM components. Non-lead agencies are eligible to request High Priority grant program funding for PRISM related costs.

- MCSAP funding may be utilized for ongoing O&M for ITD, formerly known as Commercial Vehicle Information Systems and Networks. Any MCSAP lead agency needing O&M funding for deployed projects are expected to request MCSAP funding for this purpose. State Lead agencies may also issue sub-awards for ITD related costs to the appropriate agency(s) in their jurisdiction responsible for the O&M of their ITD components. Any non-MCSAP lead agency needing ITD O&M funding should apply as part of a High Priority grant application.

  - MCSAP lead agencies that request ITD O&M funding through the High Priority grant program will only be considered after all other requests have been reviewed. If the lead agency is denied ITD O&M funds due to other High Priority projects, FMCSA will only consider amendments to the MCSAP budget for ITD O&M funding in exceptional circumstances and when legally permissible.

- The FAST Act increased the limitation from 5% to 10% for documented activities related to non-CMV traffic enforcement (when necessary to promote the safe operation of CMVs). For FY 2017, the State may use no more than 10% of its MCSAP Basic funding on non-CMV traffic enforcement unless a specific need is identified in the CVSP to exceed the 10% limitation, and approved by FMCSA. The State must maintain the number of motor carrier safety activities at a level at least equal to the average level of such activities in FYs 2004 and 2005.

## 2) Electronic Commercial Motor Vehicle Safety Plan (eCVSP)

FMCSA's eCVSP Tool is a standardized online template for States to create, edit, share and submit their CVSPs to FMCSA. The tool automates and streamlines the approval process for CVSPs, records and stores comments made during the FMCSA review process and displays the status of the State's CVSP.

New functionalities in the eCVSP tool for FY 2017 include the following:

- Three components (focus areas of MCSAP funding: Basic and Incentive, New Entrant, and Border Enforcement (if applicable to a State)). Each focus area contains a program plan, budget narrative and spending plan.

- Cost information entered into the budget narrative in each focus area is automatically transferred into the Comprehensive Budget, which is a summary of all MCSAP expenditures by budget categories included in the Budget Information- Non-Construction Programs, SF-424A form.

- E-mail notifications for State and FMCSA users have been added to the system. These notifications will inform users when the eCVSP is ready for them to initiate the next task, such as a status change from State Revising to FMCSA Review. It will be very important for States to keep the eCVSP user list up to date for the email notifications to work efficiently and effectively.

- The cost allocation was updated to reflect the FAST Act change in matching requirements to 85% Federal share and 15% State share. The territories will remain at 100% Federal funding.

- The comment functionality in the eCVSP has been updated. The number of FMCSA comments per section can now be viewed in the Dashboard or via the navigation tool at the top of each screen. This will enable users to manage comments by focus areas.

Because MCSAP is a formula grant program, FMCSA encourages State lead agencies to coordinate with their respective FMCSA Division Offices in the development and review of draft CVSPs. While FMCSA personnel cannot author any component of the CVSP, they may, at the State's request, provide technical assistance on proposed goals and activities prior to submission.

Please see appendices to this NOFA for further eCVSP information. Please note that Grants.gov is the Federal system for searching and applying for all Federal funding, and that the eCVSP system does not interface with Grants.gov and does not include all required application forms required for applying for Federal funds. Therefore, State lead agencies must upload certain documents separately into the Grants.gov application package. See appendices to this NOFA for the application package requirements.

FMCSA will host a series of webinars for State lead agencies that will provide guidance in:
1) using and navigating the eCVSP tool; 2) identifying problem statements and best practices to aid in application development; and 3) preparing the budget narrative and spending plan. See appendices for project and budget narrative guidance and information demonstrating how the FMCSA evaluates each application. See appendices to this NOFA for pre-application webinar information.

## 3) Title VI Assessments

There will be two required Title VI documents for FY 2017 including the FMCSA Title VI Program Assurance and the FMCSA Title VI Program Compliance Plan. These documents are located on Grants.gov in the "Full Announcement" tab. These forms are required and must be submitted by the State lead agency into Grants.gov.

The self-certification assurance ensures that the State lead agency will comply with Title VI and related nondiscrimination authorities to ensure that no person in the United States shall, on the grounds of race, color, national origin, sex, age, disability, low-income, or Limited English Proficiency be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the State lead agency receives Federal financial assistance from FMCSA. FMCSA's Office of Civil Rights is currently working with FY 2016 State grantees to develop the Compliance Plans. State grantees will sign and date the Assurance form and will submit the Assurance and the approved Plan with the application. Please note an approved Title VI plan is required before an award can be made.

# FY 2017 Program National Priorities

There are five national program elements for the MCSAP as currently outlined in 49 CFR § 350.109. These include driver/vehicle inspections, traffic enforcement, compliance reviews/investigations, public education and awareness, and data collection. 49 CFR part 350 is currently being revised to include changes required by the FAST Act. Additional required elements will include new entrant safety audits, border enforcement activities, and information technology system investment.

FMCSA establishes annual national priorities based on emerging or continuing issues, and will evaluate applications for grant awards in consideration of the following areas.

## 1) Enforcement of Out of Service Orders at Roadside

Carriers that operate in violation of an out of service (OOS) order are ignoring safety regulations and consciously disregarding the law. The importance of stopping carriers that are out of service due to a declaration of Imminent Hazard or a determination that they are unfit to operate cannot be overstated. Simply put, these carriers pose an immediate danger to the safety of the traveling public. Every activity conducted as part of MCSAP (inspection, carrier investigations, traffic enforcement, data quality, and education and outreach) is undermined when these carriers continue to operate in violation of these orders and without consequences at roadside. For FY 2017, FMCSA continues to encourage all States to look at ways to strengthen their ability to identify OOS carriers during roadside inspection activities. Specifically, checking a carrier's USDOT number to ensure that the carrier is not out of service is a critical component of all roadside enforcement activities and required by 49 CFR § 350.211.

FMCSA will continue to set as the goal for all States an OOS carrier "Catch Rate" of 85 percent. For the purpose of this rate, an OOS carrier is defined as those carriers with a current declaration of Imminent Hazard or those carriers FMCSA has determined to be Unsatisfactory and Unfit. If a State does not meet the 85% catch rate for these carriers, it must explain in the CVSP how it has or will implement policies, utilize appropriate technology to identify OOS carriers, and conduct quality assurance oversight to ensure that inspectors are using proper procedures to identify these high risk carriers and preventing them from continued operations.

As part of this requirement, FMCSA will provide to each State a report indicating its Catch Rate for the 12-month period preceding the report. This report will be the basis for a State's planning in this national priority area.

## 2) CSA Phase III

FMCSA will be offering Compliance, Safety, Accountability (CSA) Phase III training to State personnel.  This training will prepare investigators and managers to use the full array of CSA interventions through reinforcement of the existing interventions and training staff on offsite investigations, critical and acute violations follow-up investigations, and cooperative safety plans. CSA Phase III training will also teach investigators and managers to use new investigative software and improved IT systems built specifically to support CSA interventions and replace the CAPRI investigation software.

FMCSA plans to have this training available in FY 2017 and asks States to consider allocating funding for expenses to attend this training in their CVSP budget.  The target audience for this training is all States since a large component of the training will be on the new IT systems.

## 3) Energy Enforcement and Cargo Tank Operations

Transportation of energy products such as crude oil, propane, and liquefied natural gas has increased the need for cargo tank (CT) operations, including motor carrier and manufacturing, testing and repair operations.  FMCSA has identified oversight of CT operations as its primary hazardous materials (HM) enforcement vulnerability.

For FY 2017, the Agency's primary focus will be on CT facilities and CT carriers based on the higher level of risk when compared to the transportation of non-bulk HM.  The majority of deaths attributed to highway transportation of HM are connected to CT operations, which are generally low probability/high consequence events.  Data collection and analysis in this area will include investigations conducted and violations/deficiencies noted.

The Agency has identified significant problems in the construction, maintenance, and repair of CTs. The three-year trend indicates a high number of violations per inspection of CT facility.  One initiative revealed violations in the manufacturing of specification CT which resulted in a national recall of over 600 specification CTs.  During FY 2015, while focusing on the safe transportation of energy products, approximately 54% of cargo tank facility reviews (CTFRs) conducted resulted in an enforcement case.

States are encouraged to identify strategies and allocate resources to address CT safety problems. Additionally, to focus on enforcement of HM regulations, with particular emphasis on ensuring that (1) CT carriers are transporting HM in appropriate vehicles through roadside inspections and on-site investigations, and (2) CT manufacturing, testing and repair facilities are building, testing and repairing CTs in accordance with HM regulations through the conduct of specialized CTFRs.

In order to carry out CTFR investigations, States are encouraged to adhere to FMCSA Certification Policy MC-ECS-2016-003, dated December 29, 2015, titled "Certification Policy for Employees Who Perform Inspections, Investigations, and Safety Audits" regarding maintenance of certification, and re-certification requirements for CTFRs.

## 4) Electronic Logging Devices

The Electronic Logging Device (ELD) final rule published on December 16, 2015, is intended to help create a safer work environment for drivers, and make it more efficient to accurately track, manage, and share records of duty status (RODS) data.  An ELD synchronizes with a vehicle engine to automatically record driving time for easier and more accurate recording of hours of service (HOS).  The rule applies to most carriers and drivers who are required to maintain RODS. See more at: https://www.gpo.gov/fdsys/pkg/FR-2015-12-16/pdf/2015-31336.pdf.  The following is a brief description of the requirements of each of the three ELD Implementation phases.

As part of implementation of the ELD Final Rule, the National Training Center (NTC) is developing ELD training that corresponds with the three implementation phases and intends to provide the training in FY 2017 and FY 2018.  States should consider allocating the appropriate resources to ensure inspectors and investigators receive this important training.  For resource allocation planning, below is an outline of the training plan.

- For existing inspectors and investigators:  Phase I training will be online training, Phase II training will be instructor-led classroom training, and Phase III training is anticipated to be online.

- For new inspectors and investigators:  All phases of training will be instructor-led classroom training.

States will need to begin considering which type of electronic data transfer method they will utilize.  In addition, they need to identify what equipment and/or software are needed to ensure that proper data transfer will occur at roadside.  Software support needed for ELD enforcement may include Web services and eRODS.  The eRODS program is software that will analyze the HOS data collected by the ELD and identify potential HOS violations is currently under development.  Web services are a method of software development which is web browser based and supported by the latest versions of Internet Explorer, Google Chrome and Firefox.

## 5) Passenger Carrier Safety

Passenger carrier CMV safety and enforcement continues to be a priority for FMCSA.  FMCSA requests that special emphasis be placed on the conduct of comprehensive investigations of motor carriers that transport passengers. This information can be found in policy number MC-ECS-2014-0001 dated April 25, 2014, titled "Investigating the Vehicle Maintenance BASIC during Motorcoach Investigations."  This policy requires Level 1 or Level 5 inspections during investigations of all passenger carriers operating motorcoaches and during investigations of non-motorcoach operating passenger carriers that have a Vehicle Maintenance Behavior Analysis Safety Improvement Category (BASIC) percentile above the threshold of 65 at the time of the investigation.  Additionally, inspections of passenger carrier CMVs conducted in accordance with FMCSA policy guidance in the MCP continue to be a priority.  A copy of this policy can be found in the eFOTM in the documents section.

## 6) Traffic Enforcement

Data analysis tells us that driver behavior is the primary causation factor for the majority of traffic crashes.  To ensure a comprehensive CMV enforcement program, FMCSA will continue in FY 2017 its emphasis on traffic enforcement activities.  This includes:

- CMV traffic enforcement associated with an inspection;

- Documented CMV traffic enforcement without an accompanying inspection resulting from an observed unsafe driver behavior; and

- Documented traffic enforcement of non-CMVs operating unsafely around CMVs, subject to the 10% statutory limit of MCSAP Basic funding for this effort.  Please note that while there is a 10% limit on traffic enforcement of non-CMVs operating unsafely around CMVs unless an exception is approved, there is no statutory limitation on CMV traffic enforcement.

As a reminder, States must provide specific data in their quarterly reports detailing traffic enforcement activities not associated with a CMV inspection.  This allows us to strengthen our traffic enforcement programs nationwide, enables better tracking of grant fund expenditures, as well as more accurate and efficient reporting to Congress on traffic activities.  See the MCP for reporting elements.

# B. AWARD INFORMATION

The information below provides explanation regarding the funding calculation and process for application for MCSAP.

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|---|---|
| **Total amount of funding FMCSA expects to award:** | $288,211,000 |
| **Anticipated number of awards:** | 56 |
| **Explanation of calculation of individual awards:** | The FAST Act requires FMCSA to utilize a new interim formula for the calculation of allocation amounts for FY 2017.  After calculating the MCSAP Basic and Incentive total amounts using the current regulatory criteria, FMCSA will add the average of award amounts (or other equitable amounts) from FY 2013 through FY 2015 for a State's New Entrant, and Border Enforcement grants (if applicable)to the Basic and Incentive amounts to calculate the total eligible award under MCSAP for each State |
| **Anticipated start date/periods of performance:** | October 1, 2016 through September 30, 2018 |
| **Application Type:** | Grant. |

## FY 2017 Funding Amount

The MCSAP grant is formula-based.  For FY 2017, the FAST Act, Pub. L. No. 114-94, § 5101(c) (2015) authorizes FMCSA to award $288,211,000 in MCSAP grants.  Availability of funds is subject to the FY 2017 appropriated obligation limitation.  Below is a table with anticipated FY 2017 MCSAP funding allocations.  Please note some formula factors are based on highway safety data collected through the Federal Highway Administration and other sources and are subject to variance as information is validated throughout the year (for example vehicle miles traveled and special fuel consumption). As such, these are estimates and will likely change as new data become available in September 2017 and the MCSAP formula calculations are updated accordingly. The list of factors used for the formula calculation of the Basic and Incentive components may be found at www.fmcsa.dot.gov/grants/mcsap-basic-incentive-grant/motor-carrier-safety-assistance-program-mcsap-basic-and-incentive.

| FY 2017 ESTIMATED MCSAP Funding Allocation By State* | | | |
|---|---|---|---|
| State | Estimated FY 2017 Federal Share (85%) | Estimated FY 2017 State Match (15%) | Estimated FY 2017 Total |
| Alabama | $5,564,564 | $981,982 | $6,546,546 |
| Alaska | $1,321,124 | $233,139 | $1,554,263 |
| American Samoa | $350,000 | - | $350,000 |
| Arizona | $10,716,288 | $1,891,110 | $12,607,397 |
| Arkansas | $3,993,332 | $704,706 | $4,698,038 |
| California | $18,054,284 | $3,186,050 | $21,240,334 |
| Colorado | $4,702,725 | $829,893 | $5,532,618 |
| Connecticut | $2,343,184 | $413,503 | $2,756,687 |
| Delaware | $1,163,328 | $205,293 | $1,368,621 |
| District of Columbia | $957,587 | $168,986 | $1,126,573 |
| Florida | $12,185,991 | $2,150,469 | $14,336,460 |
| Georgia | $9,204,414 | $1,624,308 | $10,828,723 |
| Guam | $350,000 | - | $350,000 |
| Hawaii | $992,036 | $175,065 | $1,167,101 |
| Idaho | $2,322,857 | $409,916 | $2,732,773 |
| Illinois | $10,789,035 | $1,903,947 | $12,692,983 |
| Indiana | $7,236,010 | $1,276,943 | $8,512,953 |
| Iowa | $4,714,812 | $832,026 | $5,546,837 |
| Kansas | $4,271,280 | $753,755 | $5,025,036 |
| Kentucky | $4,636,269 | $818,165 | $5,454,434 |
| Louisiana | $4,247,297 | $749,523 | $4,996,820 |
| Maine | $1,590,126 | $280,611 | $1,870,737 |
| Maryland | $3,702,810 | $653,437 | $4,356,247 |
| Massachusetts | $3,974,473 | $701,378 | $4,675,850 |
| Michigan | $8,482,424 | $1,496,898 | $9,979,323 |
| Minnesota | $6,037,299 | $1,065,406 | $7,102,704 |
| Mississippi | $3,744,697 | $660,829 | $4,405,526 |
| Missouri | $6,659,741 | $1,175,248 | $7,834,989 |
| Montana | $2,961,691 | $522,651 | $3,484,342 |
| Nebraska | $3,517,253 | $620,692 | $4,137,945 |
| Nevada | $2,376,883 | $419,450 | $2,796,333 |
| New Hampshire | $1,223,974 | $215,995 | $1,439,970 |
| New Jersey | $6,705,371 | $1,183,301 | $7,888,671 |
| New Mexico | $3,636,806 | $641,789 | $4,278,596 |
| New York | $12,584,024 | $2,220,710 | $14,804,734 |
| North Carolina | $8,213,119 | $1,449,374 | $9,662,493 |
| North Dakota | $2,843,842 | $501,854 | $3,345,696 |
| Northern Marianas | $350,000 | - | $350,000 |
| Ohio | $9,416,749 | $1,661,779 | $11,078,528 |
| Oklahoma | $5,510,486 | $972,439 | $6,482,924 |
| Oregon | $3,575,033 | $630,888 | $4,205,921 |

| FY 2017 ESTIMATED MCSAP Funding Allocation By State* | | | |
|---|---|---|---|
| State | Estimated FY 2017 Federal Share (85%) | Estimated FY 2017 State Match (15%) | Estimated FY 2017 Total |
| Pennsylvania | $9,626,260 | $1,698,752 | $11,325,012 |
| Puerto Rico | $1,226,461 | $216,434 | $1,442,896 |
| Rhode Island | $1,235,450 | $218,021 | $1,453,470 |
| South Carolina | $4,447,260 | $784,811 | $5,232,070 |
| South Dakota | $2,131,280 | $376,108 | $2,507,389 |
| Tennessee | $6,055,906 | $1,068,689 | $7,124,595 |
| Texas | $29,760,853 | $5,251,915 | $35,012,768 |
| Utah | $2,797,628 | $493,699 | $3,291,327 |
| Vermont | $1,166,323 | $205,822 | $1,372,145 |
| Virgin Islands | $350,000 | - | $350,000 |
| Virginia | $6,543,288 | $1,154,698 | $7,697,985 |
| Washington | $6,380,103 | $1,125,900 | $7,506,003 |
| West Virginia | $1,942,718 | $342,833 | $2,285,550 |
| Wisconsin | $5,867,823 | $1,035,498 | $6,903,321 |
| Wyoming | $1,456,432 | $257,017 | $1,713,449 |
| **Total** | **$288,211,000** | **$50,860,765** | **$338,824,706** |

*Formula factors are based on highway safety data collected through the Federal Highway Administration and other sources and are subject to variance as information is validated throughout the year.

Grantees will also be provided their individual estimated FY 2017 MCSAP award and Maintenance of Effort (MOE) amounts upon logging into the electronic Commercial Vehicle Safety Plan (eCVSP) application.  Final award amounts will be provided to the grantee within their Notice of Grant Award (NGA). Directions for accessing the eCVSP may be found in the appendices accompanying this Notice.

For FY 2017, the FAST Act has required FMCSA to utilize a new formula calculation which mandates that a State's MCSAP amount be calculated by adding the traditional  Basic and Incentive award to the 3-year average (FY 2013-2015) of that jurisdiction's New Entrant and Border Enforcement (if eligible) Grant award totals. A comprehensive explanation of the methodology utilized to calculate a State's award may be found in the MCP located on the MCSAP web page at: www.fmcsa.dot.gov/grants/mcsap-basic-incentive-grant/motor-carrier-safety-assistance-program-mcsap-basic-and-incentive. A State may also request the MCP from their Division Office.

Grantees that do not wish to utilize the full amount of estimated funding their State is eligible to receive through MCSAP should ensure that their eCVSP accurately represents their planned activities and costs. Applicants should also clearly state within their eCVSP that they wish to implement a Plan utilizing less their total eligible award. Any MCSAP funds remaining after all applications have been reviewed and Plans approved by FMCSA will be made available for redistribution to eligible States as soon as possible.

# C. PROGRAM COST ELIGIBILITY INFORMATION

The FMCSA will reimburse 85 percent of eligible costs incurred in the administration of an approved CVSP.  All reimbursable items must be necessary, reasonable, allocable, and allowable to accomplish the goals of the program.  Cost eligibility standards are described in the applicable cost principles and administrative requirements:

- [2 CFR part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards](); and

- FMCSA's MCSAP Comprehensive Policy, as revised in June 2016 (available from FMCSA's Division Offices) and on the FMCSA MCSAP Website at: www.fmcsa.dot.gov/grants/mcsap-basic-incentive-grant/motor-carrier-safety-assistance-program-mcsap-basic-and-incentive

In accordance with the provisions of 49 CFR § 350.311 and the Federal Uniform Administrative Requirements Cost Principles, additional guidance on eligible expenses under MCSAP is included in the MCP, which FMCSA updated in June 2016.  States are strongly encouraged to review the MCP, especially the cost eligibility table, when preparing the FY 2017 CVSP.  The eligibility of all expenditures is subject to review by FMCSA.

FMCSA will not approve costs incurred outside the grant period of performance.  These costs are incurred at the risk of the State lead agency and impose no obligation on FMCSA to make an award or to increase the amount of the approved budget.

Before FMCSA will pay any reimbursements for indirect costs, a current and approved indirect cost rate agreement must be in place.  FMCSA will not approve reimbursement requests for indirect costs if an approved indirect cost rate agreement was not in place for the period of time the indirect cost expenses were incurred.

## State Match

The FAST Act reduced the required State share to 15%.  State match must consist of eligible costs under the MCSAP.  Eligible costs that are acceptable in meeting the State's matching share is described in 2 CFR Part 200 and the MCP.  States may not apply their maintenance of effort to the State match.  The FMCSA Administrator waives the requirement for matching funds for the U.S. Virgin Islands, American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands.

## Maintenance of Effort

In accordance with the provisions of 49 U.S.C. § 31102(f), as amended by the FAST Act, a State plan shall provide that the total expenditure amounts of the State lead agency responsible for administering the plan will be maintained at a level each fiscal year that is at least equal to the average level of that expenditure for FYs 2004 and 2005.  For more information on the maintenance of effort (MOE) requirements, please refer to the MCP.

# D. APPLICATION AND SUBMISSION INFORMATION

FMCSA utilizes Grants.gov (www.grants.gov) for accepting applications and related forms under this program. However, the CVSP is submitted separately into the eCVSP tool on the FMCSA Information & Analysis website at https://ai.fmcsa.dot.gov/ecvsp/Default.aspx?ReturnUrl=%2fecvsp%2fPlan%2fCVSPList.aspx. See Appendix A for a checklist to ensure your application package is complete and submitted correctly.

> ***How do I know that my application has been received by Grants.gov?***
>
> Once Grants.gov has received your submission, they will send email messages to advise you of the progress of your application through the system.
>
> Over the next two business days, you should receive two emails: 1) confirms application receipt by the Grants.gov system; and 2) indicates that the application has either been successfully validated by Grants.gov prior to transmission to FMCSA or has been rejected due to errors. Click here for more information.

**Step 1:** To apply, the State lead agency must first complete the Grants.gov registration process. Note that the new registration process can take as long as four weeks.

**Step 2:** Every State lead agency must: 1) be registered in the System for Award Management (www.SAM.gov) before submitting the application; 2) provide a valid Data Universal Numbering System (DUNS) number in its application; and 3) continue to maintain an active SAM registration with current information at all times during which it has an active Federal award or an application under consideration by FMCSA.

FMCSA may not make a Federal award to a State lead agency until the State lead agency has complied with all applicable requirements as noted above.

**Step 3:** The State lead agency must download the grant application package from Grants.gov, complete it, and submit the completed application package with required attachments through Grants.gov and submit the CVSP on or before the **deadline of 11:59 P.M. (EST) on Monday, August 1, 2016.**

**Technical Support:** FMCSA does not own or maintain Grants.gov and is therefore unable to provide Grants.gov technical assistance; all technical issues should be directed to Grants.gov.

- Grants.gov technical support information is located at: http://www.grants.gov/web/grants/support.html.

- Grants.gov training on how to apply in the Grants.gov system is available at: http://www.grants.gov/applicants/apply-for-grants.html.

## Content and Form of Application Submission

FMCSA will continue use of the  online eCVSP as part of the FY 2017 MCSAP grant application and review process to ensure requirements in 49 CFR § 350.213 are met, expedite CVSP review, facilitate the prompt returning of comments or requests for clarification, and allow the State to easily resubmit a revised document.  If a State lead agency opts to not use the eCVSP, it must ensure the information it provides is consistent with 49 CFR § 350.213, and it must address the priorities listed in this NOFA. FMCSA will not provide a hard-copy CVSP template for FY 2017.

The State lead agency may choose to add supplemental information in the eCVSP that it believes will support the proposal.  However, the State lead agency should limit the information provided to FMCSA to what is needed to evaluate the proposed projects.  Documents should not exceed 3– 4 pages in length unless they involve the most complicated of issues (there is a 5MB per document size limit in eCVSP).  Budgets and other information in charts or spreadsheets should be pre-formatted for printing on standard letter size paper.

This NOFA includes several appendices which are designed to help applicants develop and ensure a complete application package is submitted.  Appendices include:

- Appendix A— Application Package Checklist (Required Documents)
- Appendix B— Project and Budget Narrative Guidance and Evaluation Factors
- Appendix C— eCVSP Information
- Appendix D— Pre-Application Webinars

## Application Package Requirements

Please see Appendix A – Application Package Checklist for a list of required documents and submission location.

# E. APPLICATION REVIEW INFORMATION

FMCSA will notify the State in writing within 30 days after review of the CVSP, or revised CVSP, whether the plan is approved or whether approval has been withheld.  Approval may be withheld if the CVSP does not meet the regulatory requirements and/or is not adequate to ensure effective enforcement of State regulations, standards and orders that are compatible with the regulations, standards, and orders of the Federal Government on CMV and hazardous materials safety (i.e., Federal Motor Carrier Safety Regulations and Hazardous Material Regulations).  If the CVSP is not approved, the State lead agency will have 30 days from the date of the notice to modify and resubmit the plan.

# F. AWARD ADMINISTRATION INFORMATION

Awards will be made as soon as administratively practicable.  In general, FMCSA may not award grants until the following actions are completed: enactment of authorizing legislation (budget authority), an annual appropriations act, apportionment of funds, and FMCSA Administrator approval.  FMCSA may, at its discretion, issue partial funding awards up to the level authorized, provided that the above conditions are met.  Funding amounts made available for reimbursement may be impacted by limitations placed on FMCSA's authorizing legislation (budget authority) and the FY 2017 Appropriations Act.

FMCSA notifies grant recipients of approval by issuing a Notice of Grant Award (NGA) to the recipient via GrantSolutions (www.grantsolutions.gov), FMCSA's grant management system.  Attached to the NGA is the FMCSA Financial Assistance Agreement General Provisions and Assurances (grant terms and conditions).  The State lead agency must agree to the terms and conditions before grant funds will be distributed.

The grant terms and conditions specify the reporting requirements that the State lead agency must meet after award.  Reporting responsibilities include quarterly program performance status using the Performance Progress Report (SF-PPR) and quarterly financial status using the Federal Financial Report (SF-FFR).  For FY 2017 FMCSA grant awards, recipients must use GrantSolutions to submit the SF-FFR.  The recipient is required to submit the quarterly SF-PPR via email to their respective Division Office until the FMCSA has made the necessary GrantSolutions system modifications that will allow for electronic SF-PPR reporting.  Additional quarterly report information and other required forms and templates are available at: http://www.fmcsa.dot.gov/mission/grants/grantee-resources.

All FMCSA grant programs are cost reimbursable and all recipients must submit vouchers for reimbursement on at least a quarterly basis as required by the FAST Act.  Reimbursement means that grant funded entities must first expend their own money for activities identified in the grant application.  Entities will then be reimbursed by FMCSA for actual costs incurred.  This request must include a signed Request for Advance or Reimbursement (SF-270) and a detailed expenditures worksheet outlining how the funds were utilized.  All costs must be in line with the approved budget, Office of Management and Budget cost principles and FMCSA policies.  Recipients must submit requests for reimbursement electronically through the Delphi eInvoicing System (iSupplier).  Additional information is available at: http://www.dot.gov/cfo/delphi-einvoicing-system.

# G. AGENCY CONTACTS

The MCSAP grant program is managed by the FMCSA Associate Administrator for Enforcement.  However, for more information related to this announcement or application submission, the State lead agency may contact the FMCSA Division Office in its State.

# H. OTHER INFORMATION

This NOFA is only applicable to MCSAP funding.  Applications for related grant programs, such as High Priority, will not be accepted under this announcement.  FMCSA may make changes or additions

to this NOFA.  All changes will be communicated on Grants.gov.  The Agency encourages applicants to sign up for Grants.gov emails to be notified of the changes.  To sign up for email notifications go to: http://www.grants.gov/web/grants/manage-subscriptions.html.

This NOFA is intended for informational purposes and reflects current planning.  If there is any inconsistency between the information contained herein and the terms of any resulting funding agreement, the terms of the NGA are controlling.

For applicant and grantee resources, please see the FMCSA Grant Programs Website, available at http://www.fmcsa.dot.gov/mission/grants/grantee-resources.

Below are the documents necessary to be considered as being responsive to this announcement. Use of this appendix is encouraged to ensure your application is complete and proceeds forward for further review. The table below lists the document names, description, location, and submission information.

| | **Document Name** | **Document Description and Location Information** | **Document Included** | |
|---|---|---|---|---|
| 1 | SF-424 Application for Federal Assistance | Required standard application form for all requests for Federal assistance. Available in the Grants.gov application package. **Attached by the State lead agency to the Grants.gov application package.** | YES ☐ | NO ☐ |
| 2 | SF-424A Budget Information for Non-Construction Programs | Required standard budget form for requests for Federal assistance. Available in the Grants.gov application package. **Attached by the State lead agency to the Grants.gov application package.** | YES ☐ | NO ☐ |
| 3 | SF-424B Assurances for Non-Construction Programs | Required standard assurances form associated with accepting Federal assistance funds. This document indicates that the State lead agency is in substantial compliance with various programs, regulations, and Federal laws for a non-construction program. Available in the Grants.gov application package. **Attached by the State lead agency to the Grants.gov application package.** | YES ☐ | NO ☐ |

| 4 | Grants.gov Lobbying Form | Required form that allows State lead agencies to indicate that they do not engage in lobbying activities.  Available in the Grants.gov application package. **Attached by the State lead agency to the Grants.gov application package.** | YES □ | NO □ |
|---|---|---|---|---|
| 5 | SF-LLL Disclosure of Lobbying Activities (if applicable) | Standard form for State lead agencies to report their lobbying activities available in the Grants.gov application kit.  Only applies to State lead agencies that have lobbying activities to disclose.  Available in the Grants.gov application package.  **Attached by the State lead agency to the Grants.gov application package, if applicable.** | YES □ | NO □ |
| 6 | Key Contacts Form | Required form requests contact information for:  1) Authorized Designated Official (authorized signer), 2) Principal Investigator or Program Director (program/project manager); and 3) Financial Official (Grants Manager). Available in the Grants.gov application package.  **Attached by the State lead agency to the Grants.gov application package.** | YES □ | NO □ |
| 7 | Attachment Form | Form used to submit supplemental attachments to support the grant application.  Available in the Grants.gov application package.  **Attached by the State lead agency to the Grants.gov application package, if applicable.** | YES □ | NO □ |
| 8 | Indirect Cost Rate Agreement | State lead agency's signed current approved indirect cost rate from the cognizant Federal agency or letter of request to cognizant agency for rate establishment or adjustment.  **Attached by the State lead agency to the Grants.gov application package, if indirect costs are included in the budget.** | YES □ | NO □ |

| | | | YES | NO |
|---|---|---|---|---|
| 9 | FMCSA Administrative Capability Questionnaire | State lead agency self-certification for FMCSA to assess the adequacy of the State lead agency's administrative management systems. The questionnaire is located within the Grants.gov "Full Announcement" tab. All State lead agencies must submit a current FMCSA Administrative Capabilities Questionnaire if one has not already been submitted for FY 2017. **Completed by the State lead agency and attached to the Grants.gov application package.** | YES ☐ | NO ☐ |
| 10 | Title VI Assessments | Required (1) self-certification assurance and (2) compliance plan ensures that the State lead agency will comply with Title VI and related Nondiscrimination authorities to ensure that no person in the United States shall, on the grounds of race, color, national origin, sex, age, disability, low-income, or Limited English Proficiency be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination. The assurance document and compliance plan is located within the Grants.gov "Full Announcement" tab. **Attached by the State lead agency to the Grants.gov application package.** | YES ☐ | NO ☐ |
| 11 | CVSP | Commercial Vehicle Safety Plan narrative which includes program structure, past performance data, performance goals, objectives, activities, strategies, performance measures, and comprehensive budget documentation. **Completed and submitted by the State lead agency in the eCVSP tool.** | YES ☐ | NO ☐ |
| 12 | Certification of MCSAP Conformance (State Certification) | Required by 49 CFR § 350.213, as described in detail in 49 CFR § 350.211, this document certifies that the State will meet all of the requirements of participation in the MCSAP and must be executed by the authorized State official for providing program assurances. The certification is located within the Grants.gov "Full Announcement" tab. **Attached by the State lead agency in the eCVSP tool.** | YES ☐ | NO ☐ |

| 13 | Annual Certification of Compatibility | Required by 49 CFR § 350.213**, this document must be executed and signed by the State's Governor, Attorney General, or other State official specifically designated by the Governor stating that the annual review was performed, and must include the result of the annual review** (including information on variances previously approved by FMCSA and variances submitted to FMCSA consideration but not yet approved).<br><br>The document must either indicate that State CMV laws remain compatible with the FMCSRs and HMRs or identify any incompatibilities and include an explanation regarding the State's progress towards achieving compatibility and the date by which compatibility is expected to be achieved.<br><br>**Document is created and attached by the State lead agency in the eCVSP tool.** | YES ☐ | NO ☐ |
|---|---|---|---|---|
| 14 | New Laws and Regulations | Required by 49 CFR § 350.213, a copy of any new law, regulation, or policy affecting CMV safety that was adopted by the State since the last CVSP was submitted. These new laws and regulations should be referenced in the Results of the Regulatory Compatibility Review.  If there have been no new laws, regulations or policy affecting CMV safety since the last CVSP, you must upload a statement certifying that fact.  **Attached by the State lead agency in the eCVSP system.** | YES ☐ | NO ☐ |

FMCSA will continue to utilize the online CVSP development tool (eCVSP) for the FY 2017 process.  Any project and budget narrative submissions outside of the eCVSP must be on standard letter size paper, using either the "Times New Roman" or "Arial" font type in 12 point. Page margins must be at least 0.5" overall.  There is no specific *page limitation*.  States must include a description of the goal(s) of the application and the applicable program priority(ies) met by the application's projects and specific information about the outputs the application proposes to achieve.  For each goal identified, the State lead agency must provide a problem statement, performance objective, program activity plan, and performance measurement plan.

| Sample Problem Statement | |
|---|---|
| **Definition** | |
| Description of the State-identified problem.  Please include relevant details to identify the problem and to establish the baseline (include data source and how the State collects, maintains, and analyzes the data). | |
| **Sample #1** | **Sample #2** |
| The State has identified 5 corridors of highway that alone account for 38.4% of all CMV-related fatalities in the State.  State traffic records indicate that speeding, following too closely, and improper lane change account for 84% of the crash causation factors along these corridors. | The State has identified hours of service related issues as the single most often cited violation in both carrier investigations and during roadside inspections.  The State suspects that driver fatigue, as evidenced by improper adherence to hours of service regulations, accounts for 25% of the crashes in the State. |
| **Evaluation Criteria** | |
| FMCSA will consider the extent to which the State lead agency has used available data to identify the cause of CMV crashes. | |

| Sample Performance Objective |
|---|

**Definition**

Description of the goal related to the problem statement.  This can be measured in the number or percentage reduction of crashes, fatalities, injuries, and/or specified incidents) that will result by implementing specific strategies and activities.

| Sample #1 | Sample #2 |
|---|---|
| The State will conduct enforcement activities along the 5 identified corridors of highway using our most current data with the goal of reducing the crash rate along each by greater than 10% during the activity period. | The State will reduce the number of hours of service violations found in roadside inspections and during carrier investigations for domiciled carriers by 30% during the activity period. |

**Evaluation Criteria**

FMCSA will consider the extent to which the State lead agency describes sound program goals and objectives that are specific, measurable, and can likely be achieved during the grant period of performance. FMCSA will also consider the extent to which the State lead agency thoroughly explains why it selected the project goals and objectives to address the need(s) established in the Problem Statement.

| Sample Program Activity Plan |
|---|

**Definition**

Description of the activities the State believes will help mitigate the problem.  This section should only be a high-level description – detailed activities will be described later.

| Sample #1 | Sample #2 |
|---|---|
| The State will conduct high visibility traffic enforcement along the 5 identified corridors of highway during the activity period.  The State will conduct at least 5 enforcement blitzes each month and will ensure that it increases the number of officers assigned to each corridor from X to Y during each of the 4-day periods.  (See Driver/Vehicle inspection section for further information.) | The State will focus on conducting at least 40% of its total number of inspections as Level III.  Further, the State will provide additional training to officers to detect hours of service violations.  Finally, the State will engage in 12 free hours of service safety talks to motor carrier associations around the State during the performance period.  (See respective sections for further information,  i.e., Outreach and Education.) |

**Evaluation Criteria**

FMCSA will consider the extent to which the State lead agency describes tasks, activities, and timelines to achieve the project goals.

| Sample Performance Measurement Plan | |
|---|---|
| **Definition** | |
| Description of how the State will measure progress towards the performance objective goal, such as quantifiable and measurable outputs (hours, carrier contacts, inspections, etc.) and in terms of performance outcomes.  The measure must include specific benchmarks that can be reported on in the quarterly progress report if practicable (if quarterly reporting is not practicable, explain how the annual outcome will be reported). | |
| **Sample #1** | **Sample #2** |
| The State, using its own crash data, will record the number of officer enforcement hours, stops made, citations issued, violation code of citations issued, and crashes reported along each corridor at the end of each quarter.  Using this information, the State will adjust the officers assigned to future blitzes and provide each officer assigned with a specific focus area for enforcement.  The State expects that number of crashes in each corridor will be 10% lower than the comparable period in 2014. | The State will evaluate the various levels of inspections each quarter to ensure that officers focus on Level III to meet the program-wide goal of at least 33% of all inspections.  Further, the State will evaluate the violation types cited on inspections and carrier investigations for domiciled carriers to monitor the percentage of hours of service violations.  Based on this, the State may shift resources to conduct additional safety talks or inspections. |
| **Evaluation Criteria** | |
| FMCSA will consider the extent to which the State lead agency thoroughly outlines how it will monitor the effective implementation of the strategies and document the project outcomes. | |

# What is a Budget Narrative?

The budget narrative explains the "what, "how" and "why" of a line item cost to carry out grant project goals and objectives.  A budget narrative is a narrative explanation of each budget component which supports the costs of the proposed work.  The budget narrative should focus on how each budget item is required to achieve the proposed project goals and objectives.  It should also justify how budget costs were calculated.

The budget narrative should be clear, specific, detailed, and mathematically correct.
FMCSA reviews the budget narrative to confirm if costs are allowable, allocable, necessary, and reasonable.  A well-developed budget narrative is also an effective management tool; a budget that doesn't represent a project's needs makes it difficult to recommend funding and assess financial performance over the life of the project.  The budget narrative serves a number of critical functions:

- Describes your need for or necessity of an expense;

- Documents how reasonable the request is, conveys your judgment as well as the feasibility of the project in context of available and proposed resources.

- Helps FMCSA review high-risk cost items to determine funding.

Use this budget narrative guidance to help develop your budget.  Note that each budget narrative for MCSAP includes a break-out of the Federal (85%) and State (15%) matching share.  FMCSA evaluates costs based on the total project cost (Federal + State).  The break-out is provided for State lead agency planning and tracking purposes.

# What Types of Costs are in a Budget Narrative?

**Personnel:** Personnel costs are employee salaries working directly on a grant project. Only include costs for personnel employed by your organization. Costs should be consistent with what was paid for similar types of work within the organization. Individuals not employed by your organization will be classified as either a subgrantee or contractor. See the contractual object class section for additional information.

Below is a sample personnel budget narrative. FMCSA evaluates the personnel budget narrative to determine whether the proposed number of personnel is appropriate and that there is sufficient staffing to meet the project objectives. The proposed effort should be consistent with the effort required by the work plan. The labor mix should be consistent with the level of effort (professional/nonprofessional/clerical) required by the grant work plan. FMCSA also reviews the personnel budget to determine if the salary ranges proposed are reasonable.

| Sample Personnel Budget Narrative | | | | | | | |
|---|---|---|---|---|---|---|---|
| Salary Information | | | | | | | |
| Position(s) | # of Staff | % of Time | Work Year Hours | Hourly Rate | Total Cost | 85% Federal Share | 15% State Match |
| *Supervisor* | 1 | 100 | 2080 | $28 | $58,240 | $49,504 | $8,736 |
| *Trooper* (part-time) | 1 | 50 | 1040 | $19 | $19,760 | $16,796 | $2,964 |
| *Troopers* | 10 | 100 | 2080 | $19 | $395,200 | $335,920 | $59,280 |
| *Sub-Total Salary* | | | | | *$473,200* | *$402,220* | *$70,980* |

The Supervisor manages activities of the project. She/he spends time implementing this project, supervising staff, and conducting activities to meet the objectives of this project. Activities include: supervising daily operation of projects and staff, providing staff training/technical assistance, coordinating staff work schedule/assignments, ensuring data entry, tracking and following-up on procedures to meet quality assurance, and tracking policy to ensure compliance. Troopers conduct roadside inspections to fulfill reporting requirements.

**Fringe Benefits:** Fringe benefits are allowances and services provided by employers to their employees as compensation in addition to regular salaries and wages. Fringe benefits include, but are not limited to, the costs of leave (vacation, family-related, sick or military), employee insurance, pensions, and unemployment benefit plans. The costs of fringe benefits are allowable provided that the benefits are reasonable and are required by law, a non-Federal entity-employee agreement, or an established policy of the non-Federal entity. FMCSA will only reimburse fringe costs for personnel and only for the percentage of time they devote to the project. Some helpful tips:

- Include how the fringe benefit amount is calculated (e.g., actual fringe benefits, rate approved by the Health and Human Services State Wide Cost Allocation Plan or cognizant agency). Explain what is included in the benefit package.
- Do not combine the fringe benefit costs with direct salaries and wages in the personnel category.

Below is a sample fringe budget narrative. Note that that the personnel in the personnel budget narrative should be reflected in the fringe benefits budget narrative. The level of personnel participation (full time or part time) must also correspond to the fringe benefit charged. This way, we ensure that the correct fringe benefit is attributed to the correct grant.

| Sample Fringe Benefits Budget Narrative | | | | | |
|---|---|---|---|---|---|
| **Position(s)** | **Rate** | **Base Amount** | **Total Cost** | **85% Federal Share** | **15% State Match** |
| 1 Trooper | 16.72 | 100 | $6,608 | $5,616.80 | $991.20 |
| 10 Troopers (Part-Time) | 16.72 | 50 | $33,040 | $28,084 | $4,956 |
| *Sub-Total Fringe Benefits* | | | *$39,648* | *$33,700.80* | *$5,947.20* |
| Fringe benefits include cost of health insurance, retirement, workers' compensation and unemployment benefit plans. It is calculated at the average rate of 16.72 as recognized by the cognizant agency. This rate is applied to the average hourly rate of $19 per trooper, with a projected annual hours worked at 2,080 hours. The 10 part-time troopers average 50% per Trooper working on the program or an average of 1,040 hours. | | | | | |

**Travel:** Travel costs include field work activities or for travel to professional meetings. FMCSA reviews the travel budget to ensure that amounts are reasonable based on the level of effort described in the project plan. Generally speaking, FMCSA will accept in-State travel costs for routine operations as reasonable unless there is a specific reason to question them. FMCSA evaluates out-of-state to ensure the trips planned are necessary to complete the scope of work (usually training or meeting attendance), and that the number of travelers is consistent with the trip purpose. Some helpful tips:

- Include estimates for unforeseen travel such as possible FMCSA required meetings, with estimated costs of attendance.

- Explain the reason for travel expenses for project personnel (e.g., staff training, field interviews, advisory group meeting, etc.) and, if known, identify the location/destination of travel.

- Do not include payroll, fringe, or other costs listed as part of the travel. For example, payroll/fringe is included in personnel and fuel costs are included in other.

Below is a sample travel budget narrative. Unexpected conferences, such as with FMCSA, can be put into the budget without the need to breakout what the daily cost will be; however, when it is billed to the budget, it will be billed with actuals expenses, which are auditable. Expenses must be auditable (e.g., able to be backed up with actual days on the road, state per diem costs, hotel expenses, and any allowable miscellaneous costs).

| **Sample Travel Cost Budget Narrative** | | | | | |
|---|---|---|---|---|---|
| **Purpose** | **# of Staff** | **Days** | **Total Cost** | **85% Federal Share** | **15% State Match** |
| Statewide Travel - Inspections | 15 | | $300,000 | $255,000 | $45,000 |
| Certification Training | 15 | | $27,000 | $22,950 | $4,050 |
| FMCSA Conference | 10 | | $18,000 | $15,300 | $2,700 |
| *Sub-Total Travel* | | | *$345,000* | *$293,250* | *$51,750* |

The history of this agency is that we plan to utilize 15 officers to complete 1500 inspections which will occur throughout the state. It has been found that the average costs are about $200/inspection. This includes the per diem, hotel, vehicle mileage, and related travel cost.

Certification Training is expected to be conducted during the year. Fifteen (15) staff members will be attending certification training. Our experience has shown that the average cost for this training, which includes, airfare, per diem, hotel, taxi, and related expenses has come to $1,800 per employee.

It is expected that the FMCSA will be holding an annual national MCSAP conference but its location and related costs cannot be determined at this time. We are budgeting based on last year's average cost at $1,800 per employee.

**Equipment:** Equipment costs are tangible, nonexpendable personal property items that have a useful life of more than one year and an acquisition cost of $5,000 or more per unit. FMCSA evaluates the need for the equipment (e.g., ratio of employees to equipment) in the budget narrative and how it supports project activities. FMCSA also evaluates the extent to which the equipment is being used to support more than one FMCSA grant project. If it does, FMCSA evaluates if the cost has been prorated accurately. Additionally, FMCSA reviews past performance information to determine if the same equipment for the project/program was purchased in previous years. A sample equipment budget narrative is below. Some helpful tips:

- Indicate in the narrative if your equipment threshold is below $5,000 so FMCSA understands why lower costs items are included in this line. Otherwise, expenses under the threshold of $5,000 per item belong in supplies or other, depending on the item.

- Explain the purpose and use of each item of equipment. If the equipment will be used for more than one FMCSA grant project, prorate the costs.

- Common purchases like a computer system (when purchased as a package - keyboard, monitor and hard drive, etc.) are considered equipment if the total cost exceeds the threshold. If these same items are purchased individually (and not as a package) and each unit is below the threshold, list them under supplies.

- When developing your budget analyze the cost benefits of purchasing versus leasing equipment, particularly high-cost items and those subject to rapid technical advances. List rented or leased equipment costs in the contractual or the other object class, depending upon your procurement method. See the guidance under the other object class for additional information.

| Sample Equipment Cost Budget Narrative | | | | | |
|---|---|---|---|---|---|
| **Item Name** | **# of Items** | **Cost per Item** | **Total Cost** | **85% Federal Share** | **15% State Match** |
| Vehicles | 12 | $36,000 | **$432,000** | $367,200 | $64,800 |
| *Sub-Total Equipment* | | | *$432,000* | *$367,200* | *$64,800* |
| The state requests 12 new vehicles to complete motor carrier safety inspections that will replace vehicles that have reached their useful life expectancy by the state's vehicle replacement policy. These vehicles will only be used for grant eligible purposes and are needed to fulfill activities proposed in the application. The cost for purchasing a vehicle is based on the State's current procurement contract. | | | | | |

**Supplies:** Supplies are tangible personal property other than equipment. FMCSA evaluates supplies costs to ensure a sufficient level of detail that would allow an informed reader to understand the standard office supplies are reasonable. For example, an applicant does not need to provide details on the number of paper clips that it will purchase. However, FMCSA cannot accept an amount for office supplies that would equal, for example, $8,000 a year per person without further clarification. Some helpful tips:

- Indicate the approximate expenditure of the unit as a whole (e.g., office supplies cost $XX per month).

- Remember to include a quantity and unit cost for larger cost supply items such as computers and printers.

Below is a sample supplies budget narrative.

| Sample Supplies Cost Budget Narrative | | | | | | |
|---|---|---|---|---|---|---|
| **Item Name** | **# of Units/Items** | **Unit of Measurement** | **Cost per Unit** | **Total Cost** | **85% Federal Share** | **15% State Match** |
| General Office Supplies | 12 | Month | $39 | $468 | $397.80 | $70.20 |
| Mobile Printers | 7 | Item | $250 | $1,750 | $1,487.50 | $262.50 |
| Laptop Computers | 12 | Item | $2,000 | $24,000 | $20,400 | $3,600 |
| *Sub-Total Supplies* | | | | *$26,218* | *$22,285.30* | *$3,932.70* |
| General office supplies are required for 26 officers in the program. Ten part-time troopers require new laptop computers and five full-time officers require new mobile printers to complete this grant's activities. These officers conduct roadside inspections to fulfill reporting requirements. The extra mobile printers and laptops are requested for replacement purposes. | | | | | | |

**Contractual:** Contractual object class costs include the cost of any contract or subgrant agreement between the applicant and another organization (for example, a vendor or local government organization). Contractual costs can be categorized two ways: contract or subgrant.

FMCSA reviews the contractual budget narrative to ensure it contains sufficient descriptive information about what specific costs (products and/or services) would be charged to the grant, a rationale for how those costs were derived, and the applicability and necessity of each to the grant.

A helpful tip: Include the name of the vendor/subgrantee, if known. If not, indicate that the selection is pending and an estimated timeframe when the vendor/subgrantee will be selected. In the application, the most important component of the contractual budget narrative is the purpose of the contract/subgrant and how the cost was estimated/derived.

**Guidance for Contract Costs:** A contract means a legal instrument by which a non-Federal entity purchases goods and services needed to carry out the project or program under a Federal award. A contractor provides the goods and services within normal business operations; provides similar goods or services to many different purchasers; normally operates in a competitive environment; provides goods or services that are ancillary (but necessary) to the operation of the Federal program. A contractor is not subject to Federal compliance requirements as a result of the grant, though similar requirements may apply for other reasons.

For example, contractual costs could include training, maintenance contracts, or other service contracts except those which belong in different object classes such as equipment or supplies (depending upon your organization's policy). The term "procurement" is used to identify the process of acquiring goods and services from sources outside of the grantee organization. When procuring goods and services under a Federal award, an organization must follow the same policies and procedures it uses for procurements for its non-Federal funds. Non-competitive procurements should only be used in limited circumstances and should be a last resort.

**Guidance for Subgrant Costs:** A subgrant means an award provided by the grantee (also known as a pass-through entity) to a subgrantee. A subgrantee has its performance measured in relation to whether objectives of a Federal program were met; has responsibility for programmatic decision making; is responsible for adherence to applicable Federal program requirements specified in the Federal award; and (in accordance with its agreement) uses the Federal funds to carry out a program for a public purpose specified in authorizing statute, as opposed to providing goods or services for the benefit of the pass-through entity.

A subgrant may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract. Federal regulations require that all subgrantees obtain and maintain a Data Universal Numbering System (DUNS) number and continue to maintain an active System for Award Management registration at all times during an active Federal award.

Below is a sample contractual budget narrative for contractor costs. If you intend to provide funding to another organization as a subaward, provide a new object class budget narrative and line item budget for each subgrantee organization. The eCVSP now allows for State lead agencies to submit subgrantee budget narratives and line item budgets.

| Sample Contractual Cost Budget Narrative | | | |
|---|---|---|---|
| **Description of Services** | **Total Cost** | **85% Federal Share** | **15% State Match** |
| Contract services for crash timeliness | $200,000 | $170,000 | $30,000 |
| *Sub-Total Contractual* | *$200,000* | *$170,000* | *$30,000* |
| Contract services for crash timeliness include an assessment of the timeliness and quality of our data systems and the contractor oversees the development of plans to implement improvements to the system that support the State's highway safety programs. The contractor will conduct analyses of crash, ticket, and inspection data used in the planning and development of the CVSP, evaluating program and legislative initiatives, and monitoring the performance of the program. | | | |

**Other:**  Other costs are costs that do not fit within any of the other object class categories.  Typical costs in this category include rent for buildings used to conduct project activities, utilities, and printing costs.  FMCSA reviews other costs to determine whether these costs are consistent with the proposed work plan and are necessary to complete the approved work plan.  FMCSA also evaluates the costs to ensure that no unallowable costs, such as entertainment expenses, are included.  Below is a sample other budget narrative.  Some helpful tips:

- A lease is considered an Other cost when you are not the prime on the contract; rather, you are partnering with a different agency in your state or using a shared utility, facility or other services purchased through the state for one or more agencies.  A lease is considered a contractual cost when you directly engage, and form a contract with, a vendor.

- Group other object class costs whenever possible (e.g., space, rental, communication, printing, maintenance) in the budget and explain how they support the grant activities.

- Ensure that other costs such as professional services, audit, postage, printing, facilities expenses are not already accounted for in either your indirect cost rate agreement or cost allocation plan.

| Sample Other Cost Budget Narrative | | | | | | |
|---|---|---|---|---|---|---|
| **Item Name** | **# of Unit/ Items** | **Unit of Measurement** | **Cost Per Unit** | **Total Cost** | **85% Federal Share** | **15% State Match** |
| Copy machine rental | 12 | Item | $50 | $600 | $510 | $90 |
| *Sub-Total Other* | | | | *$600* | *510* | *$90* |
| The rental of the copy machine is shared with the administration.  The machine is used on a daily basis to print inspection reports.  A code is punched in whenever it is used for grant purposes.  The cost is based on the average, prior grant year usage of the machine for grant activities. | | | | | | |

**Indirect Costs:**  Indirect costs are costs incurred for common or joint objectives that benefit more than one project.  They may be administrative and/or programmatic.  The FMCSA reviews indirect cost rates to ensure the rate is valid, calculations are correct in the budget, and the rate is applied to the appropriate base.

Remember to include your indirect cost rate agreement with your application in Grants.gov.  If your rate will not be approved by the application due date, attach the letter of renewal or letter of request that you sent to your cognizant agency.  This documentation is used as a placeholder until the rate is approved.  Grantees may not receive reimbursement for indirect costs until the rate is approved.

Access to the eCVSP website is through FMCSA's MCSAP page of the Analysis and Information (A&I) Online website: http://ai.fmcsa.dot.gov/StatePrograms/Home.aspx

Registration process:

The FMCSA will work directly with each State/Territory to develop a list of users that require access to the eCVSP website.  States will have the option of identifying three types of user roles:

1. **View only** – users will only have the ability to view the information entered by the State or comments from FMCSA; these users will not be able to enter any information, make changes, or submit the documents on behalf of the State.

2. **Editor** – users will have the ability to enter information on behalf of the State, including responding to FMCSA comments; these users will not be able to submit the documents on behalf of the State.

3. **Submitter** –users will have the ability to enter information on behalf of the State, including responding to FMCSA comments; these users will also have the ability to submit the documents on behalf of the State.

For technical support with the eCVSP tool, including access issues, can be found at https://ai.fmcsa.dot.gov/ecvsp/Data/ContactUs.aspx.

Additional information regarding the use of the eCVSP system will be available during the webinar training sessions detailed in Appendix D.

FMCSA will host eCVSP training webinars during June that will demonstrate the basics regarding how to use eCVSP and the system enhancements for FY 2017.  Detailed information about the CVSP template and FMCSA's expectations for each section will be provided.   These webinars are not funding conferences which typically cover NOFA content and application procedures.

Users may register at the links provided below.  To ensure maximum availability of the webinars for all users, time zones, and schedules, FMCSA will be offering webinars at the following dates and times:

| Date | Time (Eastern) | eCVSP Webinar Registration |
|---|---|---|
| Thursday, June 2, 2016 | 1:00 pm - 3:00 pm Eastern Time | https://connectdot.connectsolutions.com/admin/show-event-catalog?folder-id=1139762049 |
| Monday, June 6, 2016 | 10:00 am - 12:00 pm Eastern Time | |
| Wednesday, June 8, 2016 | 2:00 pm – 4:00 pm Eastern Time | |

An additional webinar session will be provided to accommodate the time difference for the Territories operating in the FMCSA Western Service Center area.  An email invitation will be distributed for this webinar through the FMCSA Hawaii Division Office.